

# STATE OF NEW YORK

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2935--A

Cal. No. 237

2023-2024 Regular Sessions

## IN SENATE

January 25, 2023

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Introduced by Sen. PARKER -- read twice and ordered printed, and when printed to be committed to the Committee on Energy and Telecommunications -- reported favorably from said committee, ordered to first and second report, ordered to a third reading, amended and ordered reprinted, retaining its place in the order of third reading

AN ACT enacting the "just energy transition act"

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Short title. This act shall be known and may be cited as  
2 the "just energy transition act".

3 § 2. Legislative findings and statement of purpose. The legislature  
4 hereby finds, determines and declares:

5 (a) New York state, especially New York city, is reliant on fossil  
6 fuels for energy production, making the transition to renewable sources  
7 for the downstate electricity system key to achieving the requirements  
8 of section 4 of the New York state climate leadership and community  
9 protection act, including that seventy percent of the state's electric-  
10 ity be from renewable energy sources by the year 2030 and that one  
11 hundred percent of the state's electricity be from zero-emission sources  
12 by the year 2040.

13 (b) New York state is committed to the responsible replacement and  
14 redevelopment of its fossil fueled generation facilities that currently  
15 ensure resource adequacy in the state, especially in locations where the  
16 health benefits to historically disadvantaged communities can be maxi-  
17 mized, and where the cost effective phasing-out of such facilities can  
18 be done while helping to ensure a just transition for the existing work-  
19 force.

20 (c) A public policy purpose would be served and the interests of the  
21 people of the state would be advanced by directing the New York state  
22 energy research and development authority, in consultation with the  
23 department of public service and the department of environmental conser-

EXPLANATION--Matter in italics (underscored) is new; matter in brackets  
[-] is old law to be omitted.

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1 vation, to continue the development of the study commenced in 2022, as  
2 referenced in the climate action council scoping plan of strategies to  
3 facilitate the replacement and redevelopment of New York's oldest and  
4 most-polluting fossil fueled generation facilities and their sites by  
5 2030, while ensuring resource adequacy, with renewable energy systems as  
6 defined in paragraph (b) of subdivision 1 of section 66-p of the public  
7 service law, energy storage systems, and electricity transmission and  
8 distribution systems and equipment.

9 (d) It is the intent of the legislature in enacting this act to  
10 empower the New York state energy research and development authority,  
11 department of public service, and department of environmental conserva-  
12 tion, to develop a study as described in the climate action council  
13 scoping plan and paragraph (c) of section three of this act in the  
14 manner authorized and directed herein, and for those entities and the  
15 public service commission, and any other agencies or authorities of the  
16 state as may be required, to commence any proceedings or other initi-  
17 atives necessary to carry out the strategies described therein.

18 § 3. The New York state energy research and development authority is  
19 authorized and directed to:

20 (a) develop a study of competitive options to facilitate the phase-  
21 out, replacement and redevelopment of New York state's oldest and most-  
22 polluting fossil fueled generation facilities and their sites by the  
23 year 2030, with options that include but are not limited to those  
24 described in the scoping plan issued by the climate action council under  
25 section 75-0103 of the environmental conservation law, renewable energy  
26 systems as defined in paragraph (b) of subdivision 1 of section 66-p of  
27 the public service law, energy storage systems, and electricity trans-  
28 mission and distribution systems and equipment, while ensuring resource  
29 adequacy and other reliability services are maintained, and to do so in  
30 consultation with the department of public service, the department of  
31 environmental conservation, Long Island power authority, and other rele-  
32 vant state agencies and authorities with subject matter expertise, the  
33 federally designated electric bulk system operator, the New York State  
34 Reliability Council, and the owners of such facilities. The study should  
35 prioritize the replacement and redevelopment of such fossil fueled  
36 generation facilities with facilities that will directly assist in  
37 achieving the energy, environmental justice and emissions reductions  
38 requirements of section 66-p of the public service law. The study shall  
39 address the phase-out of at least four gigawatts of fossil fueled gener-  
40 ation statewide capacity in total and prioritize those facilities that  
41 only operate when electricity usage is highest. The study shall include  
42 recommendations of standards and requirements that:

43 (i) significantly reduce the state's electricity system reliance on  
44 fossil fuels, taking into account the requirements and timing of the  
45 state's emission reduction programs;

46 (ii) establish a competitive program to promote private sector invest-  
47 ment in eligible technologies that the public service commission has  
48 determined, after notice and provision for the opportunity to comment,  
49 ensure resource adequacy, while achieving the requirements of section  
50 66-p of the public service law;

51 (iii) provide significant environmental, health and other benefits to  
52 disadvantaged communities as such communities will be defined under  
53 section 75-0111 of the environmental conservation law; and

54 (iv) have significant potential for job creation and retention,  
55 economic development, and just transition opportunities benefiting New  
56 Yorkers and the state's workforce, as described in the scoping plan

1 issued by the climate action council under section 75-0103 of the envi-  
2 ronmental conservation law; and

3 (v) ensure the availability of assistance under the electric gener-  
4 ation facility cessation mitigation fund established in section 1 of  
5 part BB of chapter 58 of the laws of 2016 to any local government entity  
6 impacted by the replacement and redevelopment of fossil fueled gener-  
7 ation facilities under this section;

8 (b) provide public notice of the study, and ensure the results of  
9 the study are made easily accessible to members of disadvantaged commu-  
10 nities, as defined in section 75-0101 of the environmental conservation  
11 law, and provide an opportunity for public comment on the study of not  
12 less than sixty days and conduct at least two public hearings on the  
13 study, of which at least one shall be held in disadvantage communities,  
14 as defined in section 75-0101 of the environmental conservation law with  
15 such public hearings offering video participation and accessibility;

16 (c) address public comments and update the study, as appropriate,  
17 especially to ensure resource adequacy and reliability services are  
18 maintained; and

19 (d) deliver the study to the governor, temporary president of the  
20 senate and speaker of the assembly within 180 days of the effective date  
21 of this section.

22 § 4. The department of public service, the department of environmental  
23 conservation, and Long Island power authority shall commence proceedings  
24 and stakeholder processes to establish programs and other initiatives  
25 necessary to carry out the strategies, programs, standards, and require-  
26 ments described in the study referred to in section three of this act  
27 within 60 days of delivery of the study to the governor, temporary pres-  
28 ident of the senate and speaker of the assembly.

29 § 5. The public service commission shall:

30 (a) commence a proceeding to implement the strategies, programs, stan-  
31 dards, and requirements described in the study referred to in section  
32 three of this act within 90 days of delivery of the study to the gover-  
33 nor, temporary president of the senate and speaker of the assembly; and

34 (b) issue an order regarding implementation of the strategies,  
35 programs, standards, and requirements described in the study referred to  
36 in section three of this act no later than July 30, 2024. Such order  
37 shall at a minimum:

38 (i) direct the New York state energy research and development authori-  
39 ty to implement a competitive award process to facilitate the replace-  
40 ment and redevelopment of at least four gigawatts of fossil fueled  
41 generation facilities statewide while maintaining reliability consistent  
42 with the recommendations of the study pursuant to section three of this  
43 act; and

44 (ii) direct that with respect to the competitive award process  
45 required, the only eligible electricity generation from hydroelectric  
46 facilities shall be electricity that is generated from non-state-owned  
47 low impact run-of-river facilities that provide a year-round electricity  
48 capacity resource.

49 § 6. The Long Island power authority shall establish a program or  
50 programs in its service territory consistent with the recommendation of  
51 the study conducted pursuant to section three of this act, the  
52 provisions of section five of this act, and the objectives of this act.

53 § 7. This act shall take effect immediately.